



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

September 26, 2008

David Richards
Vice President, Technical Training
PCC Network Solutions
9340 Eton Avenue
Chatsworth, CA 91311

Dear Mr. Richards:

RE: FINAL MONITORING VISIT REPORT for PCC Network Solutions (PCC) – ET07-0133

| | |
|------------------------|---|
| Date of the Visit: | 09/19/08 |
| Beginning/Ending Time: | 11:30 a.m. – 1:30 p.m. |
| Date of Last Visit: | 05/08/08 |
| Visit Location: | Chatsworth |
| Persons in attendance: | David Richards, PCC Network Solutions Connie Kerr, PCC Network Solutions Mark Reeves, ETP Analyst |
| Action Required: | No |

CONTRACT INFORMATION:

| | | | |
|----------------------------------|---------------------|----------------------|-----------|
| Term of Agreement: | 08/08/06 – 08/07/08 | Agreement Amount: | \$244,728 |
| Training Start Date: | 09/04/06 | No. to Retain: | 103 |
| Date Training must be Completed: | 05/09/08 | Range of Hours: | 40 - 140 |
| Type of Trainee: | Retrainee | Weighted Ave. Hours: | 132 |

FINAL REPORT SUMMARY:

• HISTORY OF AGREEMENT

Training began on September 4, 2006 and you confirmed that all training for this Agreement was completed by May 9, 2008, to allow for the 90-day retention period prior to the contract term end date of August 7, 2008.

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ETP (04/15/05)

• **INTERVIEW WITH THE SIGNATORY**

Based on your company's lower than expected completion rate, Mr. Reeves inquired regarding the barriers that precluded PCC from performing better on this Agreement. You explained that business demands impacted the company's ability to schedule and deliver significant blocks of training to your field technicians, who were targeted as the primary recipients of the training. You also reported that training was scaled back because PCC's original plan to open two new offices during the contract term did not materialize. Lastly, you stated that, in hindsight, the contract probably should have been written with the minimum required training hours being 24, not 40. You indicated that the initial training plan may have been a bit too ambitious and a more realistic hourly range could have been around 24 – 70 hours.

You reported that PCC did not experience any significant record keeping problems during the administration of this Agreement and did not recommend any necessary changes to improve the process. You informed Mr. Reeves that PCC will be assessing its training objectives moving forward and will evaluate the possibility of seeking additional ETP funding in the near future.

Breakdown and discussion of expected earnings:

According to your records as of this final meeting, you expect to retain 41 trainees in this Agreement. The ETP Class/Lab Tracking system shows that 41 trainees completed the minimum required 24 hours of training, for a cumulative total of 1,979 hours. Your total potential reimbursement currently stands at \$45,247, or approximately 19% of the Agreement total, pending final closeout verification.

Current ETP records show that PCC has received \$34,643 in unearned progress payments. You confirmed that your final closeout invoice was submitted on September 8, 2008, and you expect final earnings to match the 19% completion rate noted above.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

| | | | |
|--|-----|----------------------|----|
| Trainees Enrolled: | 102 | Completed Training: | 41 |
| Trainees Started Training: | 57 | In Retention Period: | 0 |
| Dropped Following Enrollment: | 61 | Completed Retention: | 41 |
| Completed Minimum Hours for reimbursement: | 41 | | |

ATTENDANCE ROSTERS:

Mr. Reeves reviewed daily and multiple-day attendance rosters for 14 trainees. The review period covered January 16, 2007 through May 7, 2008. The training documented during this period included Business Skills and Advanced Technology (AT) topics from the approved curriculum. Mr. Reeves found that ETP requirements were met and properly documented. The review confirmed that the trainer-to-trainee ratios were maintained (1:20 Class/Lab and 1:10 AT).

These findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. It is your responsibility to ensure that 100 percent of all training records are in compliance with Panel requirements prior to the closeout of this Agreement (Reference: Title 22, California Code of Regulations, Section 4442).

INVOICES:

During this meeting, Mr. Reeves validated training hours for trainees billed on placement Invoice Number 3.

AUDIT:

PCC will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Mr. Reeves at (818) 755-3635 or by e-mail at sreeves@etp.ca.gov within ten (10) working days from the receipt of this report.

Sincerely,

Signature on file

Dolores Kendrick, Manager
North Hollywood Regional Office

Signature on file

S. Mark Reeves, Contract Analyst
North Hollywood Regional Office

cc: Connie Kerr, PCC (via e-mail)
David Guzman, Chief, Program Operations Division
Kulbir Mayall, Manager, Fiscal and Certification
Master File
Project File

Date report mailed to Contractor 10/2/08